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DDI-3506-74

4 December 1974

Executive Registry
74-4607/6

MEMORANDUM FOR: Director of Central Intelligence

FROM : Deputy Director for Intelligence

SUBJECT : Transferring the FBIS Media Analysis Group

REFERENCE : DCI Memo of 23 August 1974 on Financial Guidance for 1975 and 1976

1. In the reference memorandum you asked that I consider various opportunities for possible savings and that I submit recommendations to you on these items. This memorandum reports on the results of my consideration of one of your specific suggestions:

"Transferring the Media Analysis Group from FBIS to OCI with the aim of achieving the gradual conversion of this analytic activity from a separate function into an integral part of the production of political intelligence."

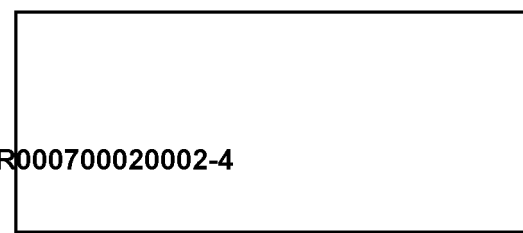
In my 5 September memorandum to you, I suggested that we expand the study to also consider OPR as a potential new home for the Analysis Group.

2. The attached report presents the results of the DDI Management Staff's examination of this expanded proposal. The report finds that the removal of the Analysis Group from FBIS is neither desirable nor feasible for the following reasons:

- Both OCI and OPR believe that the quality of the unique product and service of the Analysis Group would not thrive in an all-source environment.

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- There is unanimous agreement among the parties concerned that the independence of the Analysis Group is key to its ability to provide--Agency and non-Agency consumers--this unique form of intelligence support.
- All parties reaffirm the survey finding by the Human Sources Committee that removal of the Analysis Group would seriously impair FBIS' ability to guide and monitor propaganda collection and deprive the Community of a "highly valued" product.
- Space considerations alone--the need for square feet currently occupied by the Analysis Group--make such a move impossible in the foreseeable future.

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3. Given the unique nature of the Analysis Group's function and the broad Community and public demand for its product, transfer of the group into either OPR or OCI would actually not result in any resource savings. I presume this was one of your objectives in asking us to study the problem.

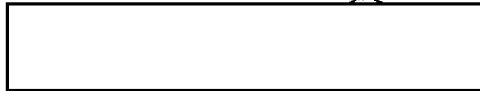
4. A positive result of the survey has been the development of a number of suggestions for increasing the interaction between the Analysis Group and the political intelligence production offices. Our survey also points to the possibility of some future resource savings when FBIS has completed the installation of its automated information handling systems.

5. On the basis of the Management Staff's study, as well as the unanimously negative reactions from FBIS, OCI, and OPR, I recommend that FBIS retain the media Analysis Group. In reporting this recommendation to the Director of FBIS, however, I have requested that he pursue vigorously the suggestions for

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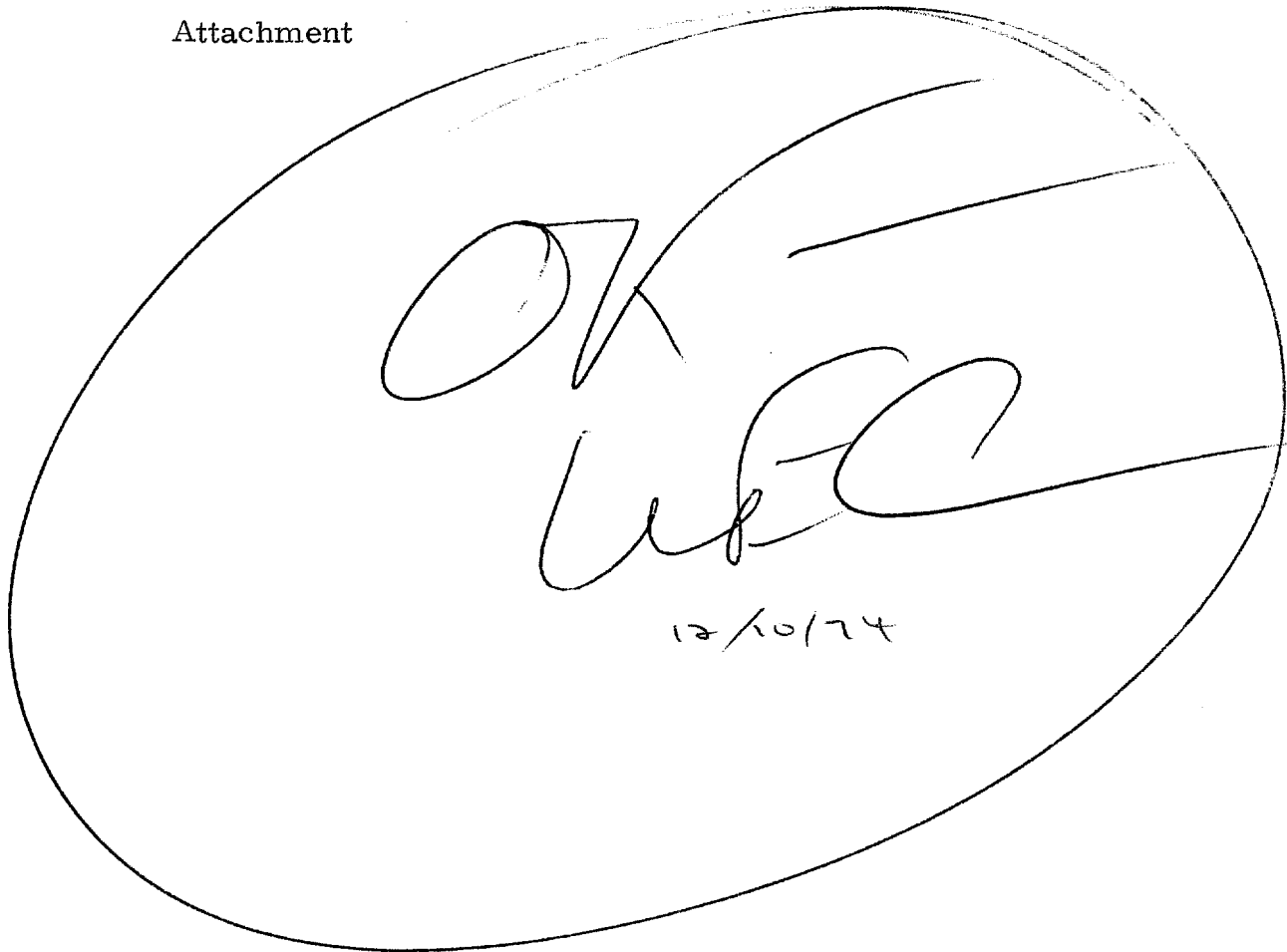
improvements and savings contained in the Management Staff report. I have also asked that he propose additional measures to ensure that the methods and manning levels of the Analysis Group are in keeping with the current resource constraints under which FBIS must operate. The Director, FBIS, has been instructed to report to me on these matters by 31 March 1975.



EDWARD W. PROCTOR
Deputy Director for Intelligence

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Attachment



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